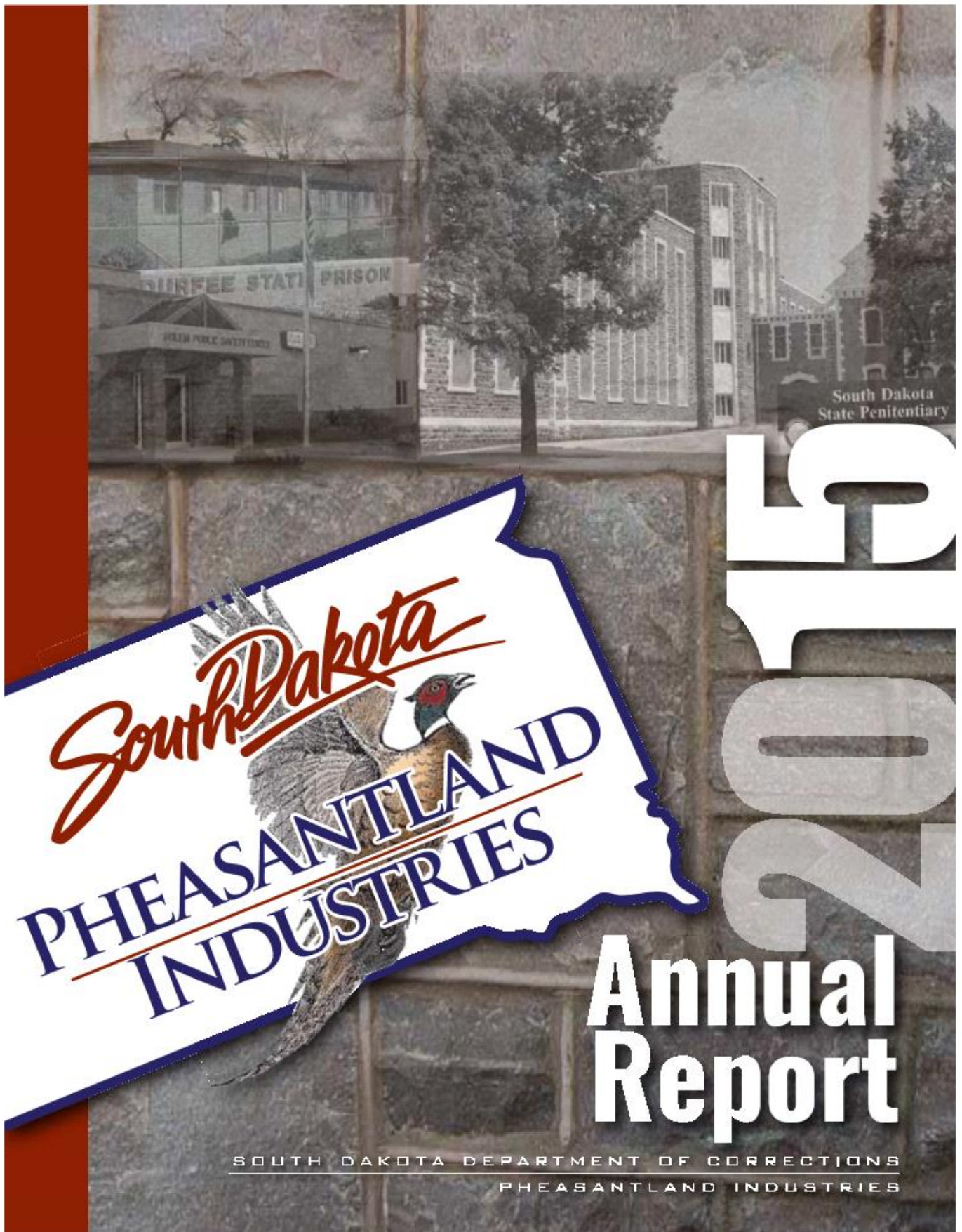


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South Dakota
**PHEASANTLAND
INDUSTRIES**

2012 Annual Report

SOUTH DAKOTA DEPARTMENT OF CORRECTIONS
PHEASANTLAND INDUSTRIES

Our Mission is to provide products and services to South Dakota governmental entities, federal agencies, non-profit organizations and state employees. To provide work opportunities for inmates, preparing them for successful return to their communities.



License Plate Shop



Carpentry Shop



Machine Shop



Data Entry &
Scan Bureau



Garment &
Screen Shop



Upholstery Shop



Braille &
Graphics Unit



Print Shop



Bookbindery



Sign Shop



South Dakota Department of Corrections
PHEASANTLAND INDUSTRIES

1600 North Drive • PO Box 5911
Sioux Falls, SD 57117-5911
Phone: 605.367.5111
Fax: 605.367.5102

January 12, 2016

Dear Governor Dennis Daugaard and Members of the 2015 Legislature:

Pursuant to the SDCL 24-7-37, Pheasantland Industries has published its Annual Report for Fiscal Year 2015. This report provides a general overview of Pheasantland Industries as well as summaries of activities and notable production numbers for the year. The complete report is accessible for your viewing on the worldwide web at <http://doc.sd.gov/about/publications/>. If you would like a printed copy of the complete report, please let me know and I will be happy to have one delivered to you. A synopsis of the year's activities can be found on the pages below.

Pheasantland Industries recorded operating income of \$351,772 on sales of \$2,740,892 for Fiscal Year 2015. Transfer of \$806,168 was made to areas of the Department of Corrections which would be otherwise generally funded. Profits from Pheasantland Industries are used to fund programs and services designed to enhance inmates' ability to lead productive lives upon their release from prison.

Our focus continues to be on developing a solid work ethic, enhancing inmates' opportunities for employment upon their release from prison and on producing high quality goods and services for South Dakota governmental entities, federal agencies and nonprofit organizations.

Sincerely,

A handwritten signature in blue ink that reads "Dennis Kaemingk". The signature is fluid and cursive, with the first name "Dennis" and last name "Kaemingk" clearly legible.

Dennis Kaemingk
Secretary of Corrections

Mission

To provide products and services to South Dakota governmental entities, federal agencies, non-profit organizations and state employees. To provide work opportunities for inmates and prepare them for successful return to their communities.

Outlook for FY2016

Pheasantland Industries will continue to look for new industries that will provide more opportunity for inmate employment. As always, we will not expand to any industry that would be in direct competition with the local private sector. Introducing any new trades to Pheasantland Industries would require the approval of the Corrections Commission.

Traditional Industries

At the close of Fiscal Year 2015, the Pheasantland Industries staff consisted of 14 FTE. The inmate work force totaled 157 inmates. In Fiscal Year 2015, Pheasantland Industries consisted of traditional prison industries: License Plates/Decals, Carpentry, Upholstery, Print Shop/Bookbinding, Braille Shop/Tactile Graphics, Sign Shop, Machine Shop, Garment/Screen Printing Shop, and Data Entry. Industries in a prison environment operate differently than businesses in a free society. Strict security procedures and scheduling are set by prison officials. Industry shops operate Monday through Friday from 7:30 a.m. to 3:30 p.m.

Inmates earn \$.25 per hour. We strive to teach the inmates a tangible skill they can use upon release, but just as important, we try to teach them "soft skills". Those skills include a good work ethic, interaction with other employees and pride in their work.

All traditional industries operate at the State Penitentiary in Sioux Falls, except the Garment/Screen Print shop which is located at the Mike Durfee State Prison in Springfield and the Data Entry and scanning project which is located at the Women's Prison in Pierre. Prison industry shops are designed to meet standards established by the Occupational Safety and Health Administration. They are also inspected annually by the State Fire Marshal and Risk Management and must meet all standards established by those offices.

By policy, traditional prison industries can provide work only for government agencies, non-profit organizations and employees of the State of South Dakota.

Industry Descriptions:

License Plates/Decal Shop: Produces vehicle plates for automobiles, trucks, motorcycles, trailers, apportioned vehicles, tribal and state vehicles, and license decals for mobile homes, boats and snowmobiles.

Carpentry Shop: The cabinet shop builds kitchen and bathroom cabinets and vanities, counter tops, linen cabinets and trim. Custom furniture builds desks, credenzas, conference tables, bookshelves, chairs, bed frames and wardrobes. They also refurbish pews for churches.

Upholstery Shop: Provides a full line of office seating, reupholsters all types of furniture in fabric, vinyl and leather, manufactures mattresses, sound proofing panels and pillows.

Print Shop/Bookbindery: The print shop designs and prints business cards, stationery, and forms, brochures, recruitment and training materials, posters, calendars, and bookmarks, and custom seals, emblems, and logos. The bookbindery repairs, restores and binds books, textbooks, magazines and meeting minutes.

Braille/Tactile Graphic Shop: Workers are individually certified by the Library of Congress for transcription. Transcribe books, magazines, greeting cards, business cards, and brochures into Braille. Large print books are also produced for those with limited sight. The services of the Braille unit are available to the South Dakota State Library, students and teachers nationwide. Tactile Graphics includes the production of maps, graphs, and science pictures for all textbooks. The Tactile Graphics Shop is setting the standards for graphics and is well known nationally for its quality of work.

Sign Shop: Produces highway and road signs for the South Dakota Department of Transportation and other local governments, as well as decals for county sheriffs, city police departments, South Dakota Highway Patrol and state and local government vehicles.

Machine Shop: Provides metal fabrication and welding services to state and federal governments and non-profit organizations. Current products include steel bed frames, belly chains, inmate clothing lockers, live traps and hazardous materials cabinets.

Garment/Screen Print Shop: Manufactures khaki trousers and shirts, jackets, coveralls, boxers, blankets, sheets, safety green garments and T-shirts and prints for governmental and non-profit agencies.

Data Entry Shop: Provides data entry and scanning services for the Department of Social Services and the Department of Health.

Shop Production Numbers for FY2014/FY2015

	FY2014	FY2015
License Plate Shop (SDSP)		
Decals for boats, snowmobiles, prorate tags and housing	83,309	56,775
Individual license plates	379,129	294,363
Carpentry Shop (SDSP)		
Sets of cabinets for the Governor's Housing Program and daycare centers	47	60
Upholstery Shop (SDSP)		
Mattresses	1,111	1,465
Pillows	910	1,274
Bath towels	18,132	14,292
Chairs, recliners and sofas reupholstered	72	82
Stackable chairs assembled	150	24
Weight bench pads reupholstered	31	62
New office chairs assembled and upholstered	27	6
Print/Book Bindery Shop (SDSP)		
Printing impressions	4,142,524	3,998,169
Books refurbished	1,605	1,105
Individual business cards	551,961	521,808
Braille Transcription/Graphics Shop (SDSP)		
Pages of Braille, transcribed and printed	59,619	42,483
Tactile pages of graphics produced	6,712	6,101
Large print pages printed	4,944	13,562
Pre-transcribed pages printed	138,110	103,063
Sign Shop (SDSP)		
Square feet of signage	155,803	134,565
Garment/Screen Print Shop (MDSP)		
Garments screened	21,365	29,140
Khaki pants	5,882	11,330
Khaki shirts	432	768
T-shirts	23,278	27,614
Boxer shorts	19,389	31,827
Fleece blankets, pillowcases, sheets	10,137	10,223
Kitchen pants, shirts and jackets	588	709
Navy pants	2,023	1,440
Safety green clothing	2,664	3,663
Black & white uniform	480	262
Data Entry and Scan Shop (Women's Prison)		
Keystrokes	208,775,227	210,921,929
Pages scanned	2,242,637	2,315,334

Private Industry Enhancement

There is always a demand for more work opportunities for inmates. Traditional industries also have a very limited market in which to sell their goods. These two facts prompted the decision to explore private sector industry possibilities. In June of 1989, the Department of Corrections applied for certification in the Private Sector/Prison Industries Enhancement Program. This application was forwarded to the United States Bureau of Justice Assistance after the South Dakota Legislature passed legislation permitting private sector involvement in prison industries. South Dakota was granted certification in 1990.

Federal law requires that inmates working for private industry must be paid prevailing, local market wages for the type of work performed. Payroll deductions for inmates working at private industry jobs include social security, federal income taxes, incarceration fees, victim compensation and family support. A percentage of their wage is also retained in an inmate account for use upon release or parole.

In addition to the State's certification, each private sector enterprise must be approved by the federal government. The application for each enterprise must include the enterprise market, the number of inmates to be employed, the wages to be paid, and verification that the venture will not impact the local market.

Private Industry FY 2015 Activities

Inmate wages paid in the private sector for FY 2015 was \$832,708. Sixty four inmates employed in these industries paid out of their wages \$49,937 to the South Dakota Crime Victims' Compensation Fund, \$332,905 for incarceration costs, \$49,937 in a family support account, \$76,356 in federal taxes and \$63,702 in social security.

Private sector businesses operating during FY2015 included Metalcraft Industries, which has welding and machine tool operations at the Jameson Annex and a window component assembly line at the Penitentiary. Metalcraft Industries is a Prison Industries Enhanced Program so they must pay their inmate employees' wages that are comparable to local industry.

Outside FY 2015 Contracts

Pheasantland Industries during FY2015 contracted with:

- Metalcraft Industries for the Private Industries Enhancement Program

- Hope Haven Ministries for the Wheelchair Restoration Program

- Personal Group for the Data Entry & Scanning Program at the Women's Prison

Pheasantland Industries' total sales, operating income and net income (does not include non-operating revenue, i.e. interest income) since FY 2006 is as follows:

<u>Fiscal Year</u>		<u>Amount</u>	<u>% Income to Sales</u>
2015	Total Sales	\$ 2,740,892	
	Operating Income	\$ 351,772	12.83%
	Net Income	\$ (425,584)	

Transferred \$806,168 to the Department of Corrections

2014	Total Sales	\$ 2,584,148	
	Operating Income	\$ 176,698	6.84%
	Net Income	\$ 3,517	

Transferred \$204,918 to the Department of Corrections

2013	Total Sales	\$ 2,561,878	
	Operating Income	\$ 212,915	8.31%
	Net Income	\$ (693,107)	

Transferred \$920,295 to the Department of Corrections

2012	Total Sales	\$ 2,605,355	
	Operating Income	\$ 220,539	8.46%
	Net Income	\$ (1,054,955)	

Transferred \$1,341,848 to the Department of Corrections

2011	Total Sales	\$ 2,682,130	
	Operating Income	\$ 283,091	10.55%
	Net Income	\$ 186,066	

Transferred \$107,204 to the Department of Corrections

2010	Total Sales	\$ 2,402,787.00	
	Operating Income	\$ 287,135.00	11.95%
	Net Income	\$ 1,280,126.00	

Transferred \$1,000,000 for the Department of Revenue due to delaying the re-issuance of license plates and \$110,033 was transferred to the Department of Corrections

<u>Fiscal Year</u>		<u>Amount</u>	<u>% Income to Sales</u>
2009	Total Sales	\$ 2,541,571	
	Operating Income	\$ 133,438	5.24%
	Net Income	\$ (883,267)	

Transferred \$1,000,000 to the General Fund per General Appropriations Act and transferred \$96,342 to the Department of Corrections

2008	Total Sales	\$ 2,808,433	
	Operating Income	\$ 257,936	9.18%
	Net Income	\$ 278,602	

Transferred \$94,106 to the Department of Corrections

2007	Total Sales	\$ 3,279,756	
	Operating Income	\$ 426,659	13.01%
	Net Income	\$ 412,197	

Transferred \$93,655 to the Department of Corrections

2006	Total Sales	\$ 5,750,411	
	Operating Income	\$ 793,617	13.80%
	Net Income	\$ 754,187	

Increased revenue due to the new license plate run
Transferred \$77,204 to the Department of Corrections

Statement of Net Position

STATE OF SOUTH DAKOTA						
DEPARTMENT OF CORRECTIONS						
PHEASANTLAND INDUSTRIES						
STATEMENT OF NET POSITION						
June 30, 2015						
	Admin.	License			Books/	Braille
	Office	Plate	Carpentry	Upholstery	Print	Unit
ASSETS						
Current Assets:						
Cash and Cash equivalents	\$ (748,854.99)	\$ 734,746.51	\$ (6,802.37)	\$ 179,150.09	\$ 87,341.29	\$ 335,443.43
Receivables:						
Interest and Dividends	116.07	1,801.77	-	384.62	21.80	784.39
Other Funds	332,030.94	59,016.41	-	9,221.15	8,761.58	7,738.89
Component Units	280.00	-	32,617.80	-	-	-
Other	3.83	-	-	44.81	4,447.70	13,952.65
Other Governments	-	58,907.34	240.34	2,757.80	5,616.10	138.00
Inventory	-	226,707.27	111,725.30	154,539.87	48,108.52	19,169.65
Total Current Assets	(416,424.15)	1,081,179.30	137,781.07	346,098.14	154,294.99	377,227.01
Other Restricted Assets	59,536.00	26,819.00	20,132.00	3,511.00	19,702.00	16,193.00
Capital Assets:						
Property, Plant and Equipment	788,581.16	305,006.38	59,555.52	-	164,451.71	42,167.13
Accumulated Deprecation	(408,596.63)	(273,924.34)	(59,555.52)	-	(153,547.71)	(38,728.76)
Total Capital Assets	379,984.53	31,082.04	-	-	10,904.00	3,438.37
Other Noncurrent Assets	4,631.70	7,452.86	-	-	-	-
Total Assets	27,708.08	1,146,533.20	157,913.07	349,609.14	184,900.99	396,858.38
Deferred Outflows of Resources						
Employer Pension Contributions	9,020.00	4,059.00	3,119.00	431.00	3,043.00	2,636.00
Related to Pensions	43,902.00	19,776.00	14,845.00	2,589.00	14,528.00	11,939.00
Total Deferred Outflows of Resources	52,922.00	23,835.00	17,964.00	3,020.00	17,571.00	14,575.00
Liabilities						
Current Liabilities						
Accounts Payable	540.77	49,790.24	15,381.13	1,390.31	1,528.13	5,990.39
Due to Other Funds	1,000.57	61,673.80	55,346.38	15,210.56	95,414.58	23,424.90
Component Units	3,200.38	3,974.68	2,398.44	846.33	2,357.92	2,961.50
Salaries Payable	9,692.70	3,214.98	3,030.01	2,958.34	2,953.81	-
Benefits Payable	34,351.08	8,581.51	4,039.89	2,907.34	3,852.06	-
Deferred Revenue	-	-	-	8,000.00	-	-
Total Current Liabilities	48,785.50	127,235.21	80,193.85	31,312.88	105,904.50	32,376.79
Noncurrent Liabilities						
Accrued Employee Benefits - LT	27,998.05	6,600.03	2,610.58	1,835.29	2,280.75	-
Deferred Inflows of Resources	68,953.00	31,081.00	23,317.00	4,067.00	22,818.00	18,752.00
Total Noncurrent Liabilities	96,951.05	37,681.03	25,927.58	5,702.29	25,098.75	18,752.00
Total Liabilities	173,734.60	171,496.27	108,732.01	38,650.46	133,284.00	51,128.79
Net Position						
Unreserved Retained Earnings	(65,106.47)	1,005,471.96	69,755.64	315,613.97	71,468.74	360,304.59
Total Net Position	\$ (65,106.47)	\$ 1,005,471.96	\$ 69,755.64	\$ 315,613.97	\$ 71,468.74	\$ 360,304.59

Statement of Net Position (continued)

STATE OF SOUTH DAKOTA						
DEPARTMENT OF CORRECTIONS						
PHEASANTLAND INDUSTRIES						
STATEMENT OF NET POSITION						
June 30, 2015						
	Sign	Machine Shop	Garment	Private Sector	Data Entry	Total
ASSETS						
Current Assets:						
Cash and Cash equivalents	\$ 254,281.27	\$ (18,315.06)	\$274,443.69	\$632,872.55	\$350,068.14	\$2,074,354.55
Receivables:						
Interest and Dividends	632.15	-	429.03	1,330.71	805.14	6,305.68
Other Funds	8,739.31	-	3,787.87	12,187.09	7,858.06	447,341.30
Component Units	551.22	-	-	-	-	33,449.02
Other	8,443.78	2,665.00	6,861.47	9,230.92	-	43,650.14
Other Governments	4,000.62	1,188.50	7,315.60	24,598.08	26,357.50	131,119.68
Inventory	38,271.91	32,733.14	341,596.33	-	-	970,849.99
Total Current Assets	308,900.24	18,271.58	634,433.99	680,219.35	385,088.84	3,707,070.36
Other Restricted Assets	8,304.00	20,060.00	15,308.00	51,249.00	-	238,814.00
Capital Assets:						
Property, Plant and Equipment	5,215.00	12,250.00	23,569.00	801,320.83	-	2,202,096.53
Accumulated Deprecation	(5,215.00)	(12,250.00)	(23,569.00)	(523,545.98)	-	(1,498,932.94)
Total Capital Assets	-	-	-	277,774.85	-	703,163.53
Other Noncurrent Assets	-	-	-	-	-	12,084.56
Total Assets	315,204.24	38,331.58	649,741.99	1,009,243.00	385,088.84	4,661,132.51
Deferred Outflows of Resources						
Employer Pension Contributions	866.00	3,102.00	2,288.00	6,086.00	-	12,342.00
Related to Pensions	4,649.00	14,792.00	11,288.00	37,790.00	-	68,519.00
Total Deferred Outflows of Resources	5,515.00	17,894.00	13,576.00	43,876.00	-	210,748.00
Liabilities						
Current Liabilities						
Accounts Payable	2,523.05	5,571.31	2,802.41	112.25	14,259.40	99,887.39
Due to Other Funds	11,389.64	74,552.88	49,806.54	34,882.37	24,839.28	447,341.30
Component Units	5,057.40	1,167.59	3,897.89	1,545.25	4,285.39	31,690.77
Salaries Payable	2,885.38	3,015.29	2,434.48	3,400.27	-	33,585.26
Benefits Payable	2,416.87	5,043.89	6,976.33	6,838.10	-	74,807.07
Deferred Revenue	2,839.98	-	-	-	-	10,839.98
Total Current Liabilities	27,112.32	89,350.76	65,717.65	46,778.24	43,384.07	698,151.77
Noncurrent Liabilities						
Accrued Employee Benefits - LT	1,205.44	3,506.80	5,446.65	4,940.82	-	56,224.41
Deferred Inflows of Resources	7,302.00	23,234.00	17,729.00	59,354.00	-	-
Total Noncurrent Liabilities	8,507.44	26,740.80	23,175.65	64,294.82	-	56,224.41
Total Liabilities	38,825.20	119,598.36	94,339.95	116,013.88	43,384.07	810,600.59
Net Position						
Unreserved Retained Earnings	285,099.48	(59,865.98)	574,424.69	942,045.94	341,704.77	3,840,917.33
Total Net Position	\$ 285,099.48	\$ (59,865.98)	\$574,424.69	\$942,045.94	\$341,704.77	\$3,840,917.33

Statement of Revenues, Expenses and Changes in Fund Net Position

STATE OF SOUTH DAKOTA						
DEPARTMENT OF CORRECTIONS						
PHEASANTLAND INDUSTRIES						
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION						
FOR THE FISCAL YEAR ENDED JUNE 30, 2015						
	Admin.	License			Books/	Braille
	Office	Plate	Carpentry	Upholstery	Print	Unit
Operating Revenue:						
Sales and Services	\$ 18,781.68	\$ 617,030.44	\$273,770.95	\$ 148,470.91	\$ 227,411.82	\$ 171,978.23
Rent Income	-	-	-	-	-	-
Other Revenue	-	5,482.00	-	-	-	-
Total Operating Revenue:	<u>18,781.68</u>	<u>622,512.44</u>	<u>273,770.95</u>	<u>148,470.91</u>	<u>227,411.82</u>	<u>171,978.23</u>
Operating Expenses:						
Personal Services and Benefits	205,880.20	68,191.02	65,403.62	8,711.39	64,053.82	54,784.31
Travel	13,275.15	57.00	-	-	-	-
Contractual Services	34,639.55	44,274.25	18,945.41	8,748.10	46,650.95	27,501.66
Supplies	20,829.82	391,588.44	188,847.80	103,832.25	80,039.90	29,360.12
Depreciation	28,639.22	4,937.34	2,235.46	-	2,498.75	2,171.60
Other Expense	(275,768.85)	61,673.80	27,906.34	15,210.56	23,180.80	17,530.28
Total Operating Expenses	<u>27,495.09</u>	<u>570,721.85</u>	<u>303,338.63</u>	<u>136,500.30</u>	<u>216,424.22</u>	<u>131,347.97</u>
Operating Income (Loss)	<u>(8,733.41)</u>	<u>51,790.59</u>	<u>(29,567.68)</u>	<u>11,970.61</u>	<u>10,987.60</u>	<u>40,630.26</u>
Nonoperating Revenue (Expenses):						
Loss on Disposal of Assets	-	-	-	-	(2,024.00)	-
Interest Income	428.59	5,399.94	(9.32)	1,301.81	90.26	2,799.91
Other Income (Expense)	2,495.50	977.59	851.09	97.32	827.19	563.58
Total Nonoperating Revenue (Expenses)	<u>2,924.09</u>	<u>6,377.53</u>	<u>841.77</u>	<u>1,398.93</u>	<u>(1,106.55)</u>	<u>3,363.49</u>
Income (Loss) Before Transfers	<u>(5,809.32)</u>	<u>58,168.12</u>	<u>(28,725.91)</u>	<u>13,369.54</u>	<u>9,881.05</u>	<u>43,993.75</u>
Transfers:						
Transfers In	-	-	-	-	-	-
Transfers Out	-	(319,232.69)	-	(43,382.00)	-	(84,186.00)
Net Transfers in (Out)	<u>-</u>	<u>(319,232.69)</u>	<u>-</u>	<u>(43,382.00)</u>	<u>-</u>	<u>(84,186.00)</u>
Change in Net Position	<u>(5,809.32)</u>	<u>(281,064.57)</u>	<u>(28,725.91)</u>	<u>(30,012.46)</u>	<u>9,881.05</u>	<u>(40,192.25)</u>
Net Position at Beginning of Year	(84,312.77)	1,260,384.81	90,929.17	343,741.43	46,663.23	391,800.79
Prior Period Adjustment	25,015.62	6,151.72	7,552.38	1,885.00	14,924.46	8,696.05
Net Position at End of Year	<u>\$ (65,106.47)</u>	<u>\$ 1,005,471.98</u>	<u>\$ 69,755.64</u>	<u>\$ 315,613.97</u>	<u>\$ 71,468.74</u>	<u>\$ 380,304.59</u>

**Statement of Revenues, Expenses and
Changes in Fund Net Position (continued)**

STATE OF SOUTH DAKOTA						
DEPARTMENT OF CORRECTIONS						
PHEASANTLAND INDUSTRIES						
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION FOR THE FISCAL YEAR ENDED JUNE 30, 2015						
		Machine		Private	Data	
	Sign	Shop	Garment	Sector	Entry	Total
Operating Revenue:						
Sales and Services	\$ 111,736.40	\$ 104,003.52	\$ 476,355.45	\$ 333,082.89	\$ 243,682.07	\$ 2,726,284.36
Rent Income	-	-	-	360.00	-	360.00
Other Revenue	-	-	-	8,765.43	-	14,247.43
Total Operating Revenue:	111,736.40	104,003.52	476,355.45	342,208.32	243,682.07	2,740,891.79
Operating Expenses:						
Personal Services and Benefits	15,972.13	65,535.01	52,756.12	92,306.69	-	693,594.31
Travel	-	-	-	-	-	13,332.15
Contractual Services	20,076.86	8,250.90	22,041.66	6,627.81	163,090.90	400,846.05
Supplies	57,257.20	54,069.00	278,432.96	2,290.14	3,416.35	1,209,963.98
Depreciation	-	612.50	610.12	29,678.55	-	71,383.54
Other Expense	11,389.64	10,601.41	48,554.37	34,882.37	24,839.28	-
Total Operating Expenses	104,695.83	139,068.82	402,395.23	165,785.56	191,346.53	2,389,120.03
Operating Income (Loss)	7,040.57	(35,065.30)	73,960.22	176,422.76	52,335.54	351,771.76
Nonoperating Revenue (Expenses):						
Loss on Disposal of Assets	-	-	-	-	-	(2,024.00)
Interest Income	2,062.39	-	1,594.09	5,126.45	2,816.78	21,610.70
Other Income (Expense)	191.76	847.00	573.77	1,916.48	(116.87)	9,224.41
Total Nonoperating Revenue (Expenses)	2,254.15	847.00	2,167.86	7,042.93	2,699.91	28,811.11
Income (Loss) Before Transfers	9,294.72	(34,218.30)	76,128.08	183,465.69	55,035.45	380,582.87
Transfers:						
Transfers In	-	-	-	-	-	-
Transfers Out	(65,696.00)	-	(50,247.00)	(155,272.00)	(88,150.00)	(806,167.69)
Net Transfers in (Out)	(65,696.00)	-	(50,247.00)	(155,272.00)	(88,150.00)	(806,167.69)
Change in Net Position	(56,403.28)	(34,218.30)	25,881.08	28,193.69	(33,114.55)	(425,584.82)
Net Position at Beginning of Year	338,117.76	(36,112.43)	541,677.95	886,330.33	374,819.32	4,154,039.59
Prior Period Adjustment	3,385.00	10,464.75	6,865.66	27,521.92	-	112,462.56
Net Position at End of Year	\$ 285,099.48	\$ (59,865.98)	\$ 574,424.69	\$ 942,045.94	\$ 341,704.77	\$ 3,840,917.33

Statement of Cash Flows

STATE OF SOUTH DAKOTA						
DEPARTMENT OF CORRECTIONS						
PHEASANTLAND INDUSTRIES						
STATEMENT OF CASH FLOWS						
FOR THE FISCAL YEAR ENDED JUNE 30, 2015						
	Admin.	License			Books/	
	Office	Plate	Carpentry	Upholstery	Print	Braille
Cash Flows From Operating Activities						
Receipts From Customers And Users	\$ 4,919.35	\$ 5,482.00	\$ 239,761.00	\$ 35,906.19	\$ 83,462.68	\$ 165,177.87
Receipts from Interfund Services Provided	229,641.05	592,211.51	24,666.92	124,376.90	141,702.73	5,313.88
Payments to Supplies	(35,468.89)	(356,835.31)	(204,036.69)	(73,722.53)	(104,034.93)	(54,150.25)
Payments for Employee Services	(202,989.07)	(70,476.02)	(67,307.81)	(7,450.33)	(18,550.10)	(57,922.41)
Payments for Interfund Services Used	(35,698.92)	(92,668.05)	(12,733.64)	(22,390.36)	(57,424.02)	(31,744.66)
Net Cash Provided (Used) by Operating Activities	(39,596.48)	77,714.13	(19,648.22)	51,719.27	45,156.66	26,674.41
Cash Flows From Capital And Related Financing Activities:						
Purchase of Fixed Assets	-	-	-	-	-	-
Construction in Progress	-	-	-	-	-	-
Sales of Fixed Assets	-	-	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	-	-	-	-
Cash Flows from Noncapital Financing Activities						
Transfers In	-	-	-	-	-	-
Transfers Out	-	(319,232.69)	-	(43,382.00)	-	(84,186.00)
Net Cash Provided (Used) by Noncapital Financing Activities	-	(319,232.69)	-	(43,382.00)	-	(84,186.00)
Cash Flows From Investing Activities						
Investment Income	399.97	5,637.45	(4.25)	1,271.29	79.57	2,659.00
Investment Expense	-	-	-	-	-	-
Net Cash Provided (Used) by Investing Activities	399.97	5,637.45	(4.25)	1,271.29	79.57	2,659.00
Net Increase (Decrease) in Cash and Cash Equivalents during the Fiscal Year	(39,196.51)	(235,281.11)	(19,652.47)	9,609.16	45,236.13	(54,852.59)
Cash and Cash Equivalents at Beginning of Year	(709,658.48)	970,627.62	12,850.10	159,540.93	42,105.16	390,295.02
Cash and Cash Equivalents at End of Year	\$ (748,854.99)	\$ 734,746.51	\$ (6,802.37)	\$ 179,150.09	\$ 87,341.29	\$ 335,443.43

Statement of Cash Flows (continued)

STATE OF SOUTH DAKOTA						
DEPARTMENT OF CORRECTIONS						
PHEASANTLAND INDUSTRIES						
STATEMENT OF CASH FLOWS						
FOR THE FISCAL YEAR ENDED JUNE 30, 2015						
	Sign	Machine	Garment	Private Sector	Data Entry	Total
Cash Flows From Operating Activities						
Receipts From Customers And Users	\$ 42,421.81	\$ 19,937.54	\$ 84,942.69	\$ 12,008.75	\$ -	\$ 694,020.08
Receipts from Interfund Services Provided	85,037.14	136,229.10	383,238.72	331,056.85	238,235.16	2,272,711.96
Payments to Supplies	(74,448.54)	(58,395.83)	(261,898.35)	(7,175.65)	(129,185.29)	(1,364,352.06)
Payments for Employee Services	(16,213.83)	(86,594.75)	(54,057.65)	(106,377.27)	-	(667,939.04)
Payments for Interfund Services Used	(21,941.99)	(4,382.90)	(46,958.06)	(50,064.28)	(57,353.00)	(442,367.90)
Net Cash Provided (Used) by Operating Activities	(4,145.21)	26,793.36	108,269.35	179,448.40	41,896.57	492,083.04
Cash Flows From Capital And Related Financing Activities:						
Purchase of Fixed Assets	-	-	-	-	-	-
Construction in Progress	-	-	-	-	-	-
Sales of Fixed Assets	-	-	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	-	-	-	-
Cash Flows from Noncapital Financing Activities						
Transfers In	-	-	-	-	-	-
Transfers Out	(85,698.00)	-	(50,247.00)	(155,272.00)	(88,150.00)	(806,167.69)
Net Cash Provided (Used) by Noncapital Financing Activities	(85,698.00)	-	(50,247.00)	(155,272.00)	(88,150.00)	(806,167.69)
Cash Flows From Investing Activities						
Investment Income	2,064.42	-	1,482.94	4,682.60	2,703.23	20,966.22
Investment Expense	-	-	-	-	-	-
Net Cash Provided (Used) by Investing Activities	2,064.42	-	1,482.94	4,682.60	2,703.23	20,966.22
Net Increase (Decrease) in Cash and Cash Equivalents during the Fiscal Year	(67,788.79)	26,793.36	57,505.29	28,859.00	(43,749.90)	(293,118.43)
Cash and Cash Equivalents at Beginning of Year	322,060.06	(45,108.42)	216,938.40	604,013.55	393,818.04	2,367,472.98
Cash and Cash Equivalents at End of Year	\$ 254,261.27	\$ (18,315.06)	\$ 274,443.69	\$ 632,872.55	\$ 350,068.14	\$ 2,074,354.55

Statement of Cash Flows (continued)

STATE OF SOUTH DAKOTA						
DEPARTMENT OF CORRECTIONS						
PHEASANTLAND INDUSTRIES						
STATEMENT OF CASH FLOWS (continued)						
FOR THE FISCAL YEAR ENDED JUNE 30, 2015						
	Admin.	License			Books/	
	Office	Plate	Carpentry	Upholstery	Print	Braille
Reconciliation of Operating Income (Loss) To						
Net Cash Provided by Operating Activities						
Operating Income (Loss)	\$ (8,733.41)	\$ 51,790.59	\$ (29,567.66)	\$ 11,970.61	\$ 10,987.60	\$ 40,630.26
Adjustments to Reconcile Operating Income (Loss):						
Depreciation Expense	28,639.22	4,937.34	2,235.46	-	2,496.75	2,171.60
Miscellaneous Non Operating Revenue	2,515.00	1,133.00	850.00	148.00	832.00	684.00
Decrease/(Increase) in Assets:						
Accounts Receivable	9,107.50	-	6,091.50	9,298.32	2,957.88	(1,348.94)
Due From Other Funds	(61,859.12)	(20,016.41)	-	(2,903.43)	(3,292.79)	(7,738.89)
Due From Component	(70.00)	-	(23,214.80)	-	-	-
Due From other Agency	-	(24,818.93)	512.61	(1,484.30)	(1,681.47)	(138.00)
Prepaid Expense	(1,048.70)	(2,870.05)	-	-	-	-
Decrease in Inventory	-	25,597.75	(12,176.21)	34,002.39	13,115.64	(1,463.64)
Decrease in Net Pension Asset	(36,237.00)	(16,324.00)	(12,254.00)	(2,137.00)	(11,992.00)	(9,855.00)
Decrease in Deferred Outflow	(44,251.00)	(19,929.00)	(15,032.00)	(2,509.00)	(14,701.00)	(12,217.00)
Increase/(Decrease) in Liabilities:						
Accounts Payable	188.94	50,809.42	2,537.75	(3,453.19)	(455.20)	1,293.00
Employee Benefits Payable	1,443.55	988.17	669.52	581.78	561.41	-
Deferred Revenue	-	-	-	4,000.00	-	-
Due to other funds	(154.58)	(7,399.63)	35,210.66	(476.81)	23,092.84	(3,624.80)
Due to Other Components	553.87	1,989.05	626.68	7.32	(37.82)	(470.18)
Accrued Leave Liability	1,356.25	785.83	545.29	608.18	452.72	-
Deferred Inflow	68,953.00	31,061.00	23,317.00	4,067.00	22,818.00	18,752.00
Net Cash Provided (Used) by Operating						
Activities	\$ (39,598.48)	\$ 77,714.13	\$ (19,648.22)	\$ 51,719.87	\$ 45,156.56	\$ 26,674.41

Statement of Cash Flows (continued)

STATE OF SOUTH DAKOTA						
DEPARTMENT OF CORRECTIONS						
PHEASANTLAND INDUSTRIES						
STATEMENT OF CASH FLOWS (continued)						
FOR THE FISCAL YEAR ENDED JUNE 30, 2015						
	Sign	Machine	Garment	Private Sector	Data Entry	Total
Reconciliation of Operating Income (Loss) To						
Net Cash Provided by Operating Activities						
Operating Income (Loss)	\$ 7,040.57	\$(35,065.30)	\$ 73,980.22	\$176,422.76	\$ 52,335.54	\$351,771.76
Adjustments to Reconcile Operating Income (Loss):						
Depreciation Expense	-	612.50	610.12	29,678.55	-	71,383.51
Miscellaneous Non Operating Revenue	286.00	847.00	647.00	2,165.00		10,087.00
Decrease/(Increase) in Assets:						
Accounts Receivable	2,040.49	(1,683.55)	(611.86)	993.76	-	26,865.10
Due From Other Funds	(6,354.03)	27.51	(3,223.87)	(12,187.09)	(7,858.06)	(125,406.18)
Due From Component	(551.22)	-	372.50	-	-	(23,463.52)
Due From other Agency	(2,825.78)	387.00	(4,844.20)	(2,026.04)	(5,446.91)	(42,386.02)
Prepaid Expense	-	-	-	-	-	(3,916.75)
Decrease in Inventory	(7,206.66)	(3,630.38)	38,151.60	-	-	86,390.49
Decrease in Net Pension Asset	(3,837.00)	(12,210.00)	(9,317.00)	(31,193.00)	-	(145,356.00)
Decrease in Deferred Outflow	(4,597.00)	(14,973.00)	(11,347.00)	(36,412.00)		(175,968.00)
Increase/(Decrease) in Liabilities:						
Accounts Payable	2,366.20	3,213.61	(5,854.91)	112.25	2,176.02	52,931.89
Employee Benefits Payable	(1,260.95)	610.08	388.03	(3,210.16)	-	771.43
Deferred Revenue	(17.70)	-	-	-	-	3,982.30
Due to other funds	2,315.88	65,117.50	8,724.64	2,585.75	14.73	125,406.18
Due to Other Components	2,182.13	(184.66)	286.64	(5,178.36)	475.55	230.22
Accrued Leave Liability	(1,008.14)	491.05	598.44	(1,657.02)	-	2,172.60
Deferred Inflow	7,302.00	23,234.00	17,729.00	59,354.00		276,587.00
Net Cash Provided (Used) by Operating						
Activities	\$ (4,145.21)	\$ 26,793.36	\$106,269.35	\$179,448.40	\$ 41,696.87	\$492,083.04

South Dakota
PHEASANTLAND INDUSTRIES

2015 Annual Report

15 copies of this publication were printed at a cost of \$2.48 per copy.
Designed and Printed by the Pheasantland Industries Print Shop.